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**ARIZONA CORPORATION COMMISSION**

2009 APR 15 P 4: 31

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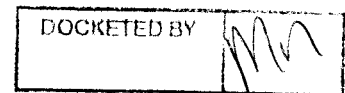
AZ CORP COMMISSION  
DOCKET CONTROL

April 14, 2009

Arizona Corporation Commission  
**DOCKETED**

APR 15 2009

Ronald J. Newman  
Attorney at Law  
1670 E. River Road, Suite 124  
Tucson, Arizona 85718



RE: Sue Juan Water Company – Application for authorization to sale of water system assets to The City of Benson and cancellation of their respective Certificate of Convenience and Necessity  
Docket Nos. W-015219A-09-0121  
INSUFFICIENCY LETTER

Dear Mr. Newman:

In reference to the above mentioned application filed on March 16, 2009, this letter is to inform you that the application has not met the sufficiency requirements as outlined in the Arizona Administrative Code. The deficiencies are:

1. Please provide a list of the assets to be sold by the seller and purchased by the buyer. Exhibits A, B, C and D to the Agreement (attached to the subject application) were blank pages.
2. Please provide ADEQ Compliance status for the Sue Juan Water system.
3. Please explain how the sale of the Company will benefit Sue Juan's customers?
4. Please explain how wastewater service currently being provided in Sue Juan's CC&N service area?
5. Why is the transfer occurring at this time? Please explain.
6. What improvements does the new owner plan to make to the water system? Please explain.
7. What changes, if any, in service and operations will occur as a result of the transfer? If applicable, explain in some detail the changes in service and operations that will occur.
8. Will the certified operator and other Sue Juan employees remain the same after the transfer occurs? If applicable, explain in some detail the changes in personnel that will occur.

9. Why hasn't Sue Juan filed a System Water Plan with ADWR? When does the Company plan to file this document? Please explain.
10. What is the rated flow capacity in GPM of the Fluoride Treatment plant?
11. Has the Sale of Assets (transaction) been consummated? If yes, does it mean that Sue Juan no longer sell water nor have any active sources? If no, when will the transaction be consummated?
12. Has a Notice of the Application been sent to the affected customers? If so, please file a copy in the docket. If not, when will the Applicants send a Notice of the Application to the affected customers? Please explain.
13. Are Sue Juan's Customers receiving water from the City of Benson? If yes, is the City of Benson charging the customers?

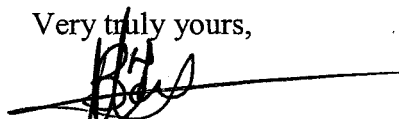
Staff would like to use this opportunity to bring the following to your attention:

- Pursuant to the Arizona Administrative Code ("A.A.C.") R-14-2-411(C), upon meeting sufficiency requirements, the Commission has 150 calendar days for its substantive review. This includes conducting a hearing and preparing Opinion and Order to present to the Commission at an Open Meeting; and
- Pursuant to A.A.C. R14-2-411(C)(3), Staff may terminate an application if the applicant does not remedy all deficiencies within 60 calendar days of the notice of deficiency.

**Please file your response to this Insufficiency Letter with Docket Control.**

If you have any questions concerning this matter, please do not hesitate to contact me at 602-542-0840 or Del Smith at 602-542-7277.

Very truly yours,



Blessing N. Chukwu  
Executive Consultant III

BNC

cc: Docket Control  
Del Smith  
Lyn Farmer  
Brian Bozzo  
Connie Walczak